

# State of Washington

## 2004 Consolidated Annual Performance and Evaluation Report

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### SUMMARY & SELF-EVALUATION

**2004 CAPER** This is the fourth and last reporting year of Washington State's 2001 - 2005 Consolidated Plan. The State's Consolidated Plan was intended to cover a five-year period, however, in 2004 the decision was made to develop a new five-year Consolidated Plan. Therefore the 2004 Consolidated Annual Performance and Evaluation Report will close-out the multi-year 2001 - 2004 Consolidated Plan.

**Resources** Federal assistance through the State's HOME Investment Partnership, Community Development Block Grant, Emergency Shelter Grants, and Housing Opportunities for People with AIDS programs and state-funded assistance strengthened the State's ability to effectively address the critical affordable housing and community development needs of low and moderate-income residents statewide. In 2004, the State saw an increase in both federal and state resources dedicated to these programs. A happy turnaround was an increase in non-Federal support of 41 percent as compared to a 12 percent decline the previous year.

Federal resources grew from \$57 million to over \$70 million from 2001 to 2004. State (non-Federal) resources grew 21 percent, from \$327 million in 2001 to \$397 million over the same time period.

**Highlighted  
Results**

*Strides Made in Homeless Programs*

In 2004, the Balance of State Continuum of Care more than doubled the amount captured for the state's homeless programs through the national McKinney Homeless Programs competition. Funding went from \$2.9 million to \$4.3 million and the number of projects receiving federal support increased from 21 to 31.

*Progress in Homeless Management Information System (HMIS) Continues*

The state entered into a partnership with the independent continuums of care in King and Snohomish counties in 2004 intending to centralize the HMIS effort, thereby reducing costs and improving services.

*New Homeless Services Fund Established*

The new Washington Families Fund (WFF) was established to award matching grants to local governments and nonprofit organizations to expand the availability of supportive housing for homeless families. Supportive housing will help families by providing stable long term funding for housing based services. The WFF was established by the legislature in 2004 (ESHB 2459) to provide matching funds for services to help families experiencing homelessness move successfully to stable housing and self-sufficiency. The fund

received an appropriation of \$2 million from the state general fund. The WFF will support comprehensive and individualized case management services to homeless families participating in supportive housing programs.

*Special Needs Housing Continues Impressive Expansion*

Funding for housing serving populations with special needs, such as people who are chronically mentally ill or who are developmentally disabled, continued to grow in 2004. In 2001 the amount of state and federal resources dedicated to special needs housing was \$23 million. This had increased by over 40 percent to \$33 million in 2004. In the last two years, an average of 700 units received assistance through HOME and the Housing Trust Fund.

*State CDBG Program Assists Rural Communities*

The state CDBG Program increased the number of projects assisted from 59 in 2003 to 77 in 2004, and increased the amount of funds distributed from \$18.3 million in 2003 to \$21.2 million in 2004. These increases represent the CDBG staff's efforts to distribute state CDBG funds to worthwhile local projects in a timely manner, even with a small decrease in the annual allocation from HUD in 2004. The state CDBG Program meets and exceeds the HUD national objective of principally benefiting low- and moderate-income persons in the rural areas of the state.

*Affordable Housing - A Big Portion of Bond Cap*

A substantial portion of the available bond cap continues to be used to develop affordable housing. In 2004, 79 percent of the total state bond cap went to finance affordable housing. This has steadily grown from 2001 when only 41 percent of the bond cap went to housing projects. While it is expected that the housing portion of the cap will maintain similar growth trends in the near future, it will likely drop closer to pre-2004 levels over the long term.

*Homeowner Sweat Equity Projects - A Small but Growing Resource*

The number of units funded in sweat equity projects grew for the second year in a row. In this type of project, a homebuyer participates in building his/her own home. In 2004 45 units were assisted, a 45 percent increase from the previous year. In 2002 the number units assisted was 16, in 2003 it was 31.

*Expedited Review in Growth Management Made Possible*

The Washington State Legislature passed and the Governor signed SHB 2781, a new law that allows local governments planning under the Growth Management Act to request expedited review from CTED to proposed changes to development regulations. The law is designed for those instances where a jurisdiction must move faster than usual 60-day comment period for CTED, and the regulation is not the type of regulation that the state usually would comment on (such as a sign ordinance). After consultation with other state agencies, CTED developed a process for handling expedited review.

*Other Helpful State Legislation Relating To Affordable Housing*

SB 6593 requires that manufactured homes built to federal regulatory standards be subject to the same siting regulations as site-built homes, factory-built homes, or homes built to any other state construction standard. It is expected more manufactured homes will be sited due to the new law.

SB 6476 provides that the elimination of existing manufactured housing communities, on the basis of their status as a nonconforming use, is prohibited.

SB 5536 defines a condominium's implied warranty and sets up a warranty insurance program. It is expected that more builders will be re-entering the condominium market because of the new law.

*Statewide Conference on Civil Rights Held*

CTED participated in a statewide conference to develop a 2005 - 2011 plan on civil rights convened by the Washington State Human Rights Commission. The conference, attended by more than 200 people from around the state, was a great success in gaining agreement on Washington's preferred civil rights future and in taking the first steps toward creating an Action Plan with short and long-range goals designed to move towards ensuring civil rights for all citizens in Washington State.

**Future  
Challenges**

*Performance Measures*

CTED will continue work on the performance measurement system used in the HOME, CDBG, ESG and HOPWA programs. A system of regular performance reviews is planned for 2005.

*Decrease in CDBG Funding*

The current 2005 CDBG funding level represents a 4 percent decrease from the 2004 funding level, and the state program is potentially facing additional cuts for 2006. The President's budget is proposing to consolidate 18 federal programs, and eliminate the Community Development Block Grant (CDBG) Program, effective with the 2006 federal budget. The proposal would replace the 18 programs, funded at a \$5.8 billion dollar level in 2005, by a new "Strengthening America's Communities" (SAC) initiative within the U.S. Department of Commerce funded at \$3.71 billion. This would effectively reduce federal funding for community development by more than 33 percent. Bipartisan members of congress are working to restore the CDBG program and maintain it within the U.S. Department of Housing and Urban Development.